

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1540

To amend title 49, United States Code, relating to tax discrimination against rail transportation property.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 13, 1993

Mr. DORGAN (for himself and Mr. CONRAD) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To amend title 49, United States Code, relating to tax discrimination against rail transportation property.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Property Tax Fairness  
5 Act of 1993”.

6 **SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.**

7 (a) DEFINITION.—Section 11503 of title 49, United  
8 States Code, is amended by adding at the end of the fol-  
9 lowing:

1           “(5) ‘true market value’ as applied to rail  
2           transportation property means the actual fair mar-  
3           ket value of rail transportation property as has been  
4           determined by the assessing officials of a State, a  
5           subdivision of a State, or an authority acting for a  
6           State or subdivision of a State, as such determina-  
7           tion may have been modified upon State court re-  
8           view thereof, if any, before application of any assess-  
9           ment percentage or ratio.”.

10          (b) REPEAL.—Section 11503(b)(4) of title 49,  
11 United States Code, is repealed.

12          (c) AMENDMENT.—Section 11503(c) of title 49,  
13 United States Code, is amended to read as follows:

14          “(c) Exclusive original jurisdiction to determine the  
15 existence of any violation of subsection (b) will rest with  
16 the administrative and judicial agencies of the States  
17 which have been established under State law to hear pro-  
18 tests or claims for refunds. In any proceeding brought to  
19 prevent a violation of subsection (b), State law governs  
20 the burden of proof in determining assessed value and true  
21 market value. If the ratio of the assessed value of other  
22 commercial and industrial property in the assessment ju-  
23 risdiction to the true market value of all other commercial  
24 and industrial property cannot be determined through the  
25 random sampling method known as a sales assessment

1 ratio study (to be carried out under statistical principles  
2 applicable to such a study) to the satisfaction of any court  
3 determining whether there is a violation of subsection (b)  
4 of this section, the following shall be found to constitute  
5 a violation of this section:

6           “(1) An assessment of the rail transportation  
7           property at a value that has a higher ratio to the  
8           true market value of the rail transportation property  
9           than the assessed value of all other property subject  
10          to a property tax levy in the assessment jurisdiction  
11          has to the true market value of all other commercial  
12          and industrial property.

13           “(2) The collection of an ad valorem property  
14          tax on the rail transportation property at a tax rate  
15          that exceeds the tax ratio rate applicable to taxable  
16          property in the taxing district.”.

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